

that support this generation and the next generation of family farmers.

A strong farm economy is critical to the survival of many rural communities over the long term. But the number of family farmers, who are the backbone of the agricultural sector, has been steadily declining over the course of the past century. In the 1930s, North Dakota had over 85,000 farms. That number has dwindled to just 30,000 in 2002, the lowest number of farms in North Dakota's history.

More and more of our young people are leaving rural communities in pursuit of jobs elsewhere and the remaining farmers are growing older. A recent report prepared by the Center for Rural Affairs found that almost half of the Nation's farmers are age 55 or older. The already small number of farmers and ranchers under age 25 (about 1 percent of farmers and ranchers) has dropped significantly in recent years. If we don't act quickly to address the aging of the farm sector, the prospects for many farm communities appear bleak.

The Center's report found that one of the major impediments to individuals who want to start a farm or ranch is the cost of land and other farm property. The legislation that Senator HAGEL and I have introduced speaks to this issue by providing substantial capital gains tax incentives for farmers and ranchers who are retiring or forced to get out of farming to sell their farm operations to beginning farmers and ranchers or others who will continue to use the property in farming. Because of the extra benefit the retiring farmer would receive for selling to a first-time farmer, for example, he or she could accept a lower price from such a buyer and still come out ahead economically as compared to a sale that would otherwise take the land out of agricultural use.

Specifically, our legislation allows farmers and ranchers to exclude up to \$500,000 in capital gains that are derived from the sale of qualifying farm or ranch property over their lifetime. The benefit of the capital gains tax exclusion provided by this legislation is greater for the sale of such property to first-time farmers and ranchers or to others who continue to use such property for farming purposes. To encourage farm sales to beginning farmers, this legislation provides a 100-percent exclusion from gross income of the long-term capital gain from the sale of qualifying farm property to a first-time farmer who certifies that he or she will use the property for farm purposes for at least 10 years. Our bill also provides a 50-percent exclusion from gross income of the long-term capital gain from the sale of farm property to any other person who certifies that the property will be used for farm purposes for at least 10 years. Finally, this legislation provides a 25-percent exclusion from gross income of long-term capital gain from the sale of such property to any other person for any other use.

If anytime within 10 years after the sale, the property benefiting from the 100-percent or 50-percent capital gains exclusion is disposed of or ceases to be used as a farm for farming purposes, then a penalty shall be imposed as a proxy for recapturing the capital gains tax benefit. However, the penalty for disposition or cessation of the use of qualifying property as a farm for farming purposes may be waived by the Secretary of the Treasury in the case of hardship.

Senator HAGEL and I believe that if we are going to deal with the economic problems facing much of rural America that we must ensure that tax and other Federal policies are in place to encourage a new generation of young people to enter into farming and ranching. This legislation should help in this endeavor and we urge our colleagues to support our effort.

#### VOTE EXPLANATION

Mr. BUNNING. Mr. President, I regret that I missed this evening's vote in the Senate on the confirmation of Earl Leroy Yeakel III, to be U.S. District Judge for the Western District of Texas. Had I been present, I would have voted "yea" on his confirmation. Unfortunately, the airplane I was to travel on back to Washington, DC was grounded for some time due to mechanical problems, and this caused a delay in my return.

#### DEATH OF BOB HOPE

Mr. HAGEL. Mr. President, the death of Bob Hope is a great loss for all Americans. At 100 years old, Hope was truly a legend in his own time. His famous wit and generous spirit endeared him to generations of Americans.

For more than 50 years, Bob Hope headlined USO tours, performing for America's Armed Forces around the world in times of war and peace. While serving on board of directors of the World USO and as president of the USO, I was privileged to have worked with Bob Hope. His selfless commitment to entertaining the men and women of our Armed Forces was unmatched. In 1997, Congress voted to recognize Bob Hope as an honorary veteran. Hope is the only person to ever receive this honor.

For decades, Bob Hope brought American troops laughter and warmth around the globe. We are all grateful for his tireless service and spirited humor. Bob Hope will be remembered not only as a gifted comedian and patriot, but as a humanitarian who used his tremendous talents to lift the spirits of millions of men and women. There will be another like him.

#### GREENSPAN'S RECORD

• Mr. BUNNING. Mr. President, I want to share with my fellow colleagues an article written by the best selling au-

thor and investor Jim Rogers. Mr. Rogers has been dubbed the "Indiana Jones of investing" and has earned himself a reputation for being one of the world's leading economic minds.

In this article, Mr. Rogers does something that I have found rare when it comes to examining Chairman Greenspan's record. He actually looks at the Chairman's monetary stances throughout his tenure at the Federal Reserve and examines what kind of effect they had on the economy. In most cases, Mr. Rogers finds that Mr. Greenspan's policies were ill-timed or simply economically absurd. I urge my colleagues to read this article so that we may better understand the role the Federal Reserve and Chairman Greenspan specifically have played in our economic well-being.

I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### FOR WHOM THE CLOSING BELL TOLLS

At a recent symposium sponsored by the Federal Reserve Bank of Kansas City in Jackson Hole, Wyoming, Alan Greenspan reflected on causes of the stock market bubble that grew at the end of the 20th century. He discussed how difficult it was to recognize when a bubble began and how anything he could have done as Federal Reserve chairman would have only made matters worse for the economy at the time.

"Bubbles," Greenspan said toward the end of his speech, "thus appear to primarily reflect exuberance on the part of investors in pricing financial assets . . . Bubbles appear to emerge when investors either overestimate the sustainable rise in profits or unrealistically lower the rate of discount they apply to expected profits and dividends." He said he did not know there was a bubble and could have done nothing even if he had figured out there was a mania. I wonder if he really believes that. Even my mother knows there was a bubble. Is he a charlatan or a foot? Perhaps both as we will see from his own earlier words and deeds.

I've got news for you, Alan: This stock market bubble was yours and could have been prevented. It didn't have to happen. Don't go blaming investors for so-called exuberance. Irrational or rational. The only one who has acted irrationally, it seems to me, is you. You could have prevented it in the first place and certainly could have stopped the bleeding a long time ago.

I know, I know. This is not the way people want to think about Alan Greenspan. The way people often talk about him, you'd think he was up for sainthood. Back in 1999, Time magazine nominated him to the "committee to save the world." Legendary journalist Bob Woodward wrote a flattering book about Greenspan called "Maestro." Senator Phil Gramm of Texas called him the greatest central banker of all time. Even the Queen of England recently added her voice, knighting Greenspan and saying that Sir Alan has brought "economic stability to the world." I guess she didn't notice that there have been at least five major financial crises in the past eight years with perhaps more on the horizon.

Could someone please give me the phone number of Alan Greenspan's public relations firm? Actually it was down in the board rooms of investment firms who used him to coin money, but even they have caught on by now.